

Unit



Service Cash Points or POS

In a retail store, the cashier stands at the billing counter and scans the barcode of each and every product that the customer wants to purchase from the store, through a cash register/Point of Sale (POS). Then, the cashier collects payment in the form of cash, cheque, credit or debit cards and issues receipts to the customer as a proof of payment. The cashier maintains the payment records received at the billing point and prepares reports of each transaction on a cash register tape and verifies against the cash in hand.

The Point of Sale (POS) includes a cash register, monitor, mouse, keyboard, cash till, drawer, receipt printer and barcode scanner. In India, most of the retail stores or outlets are using the POS systems with debit cards and credit card readers to make the transaction easy and quick.

This unit focusses on the knowledge and skills essential for a retail cashier.

To provide knowledge and skills on these aspects, the present unit is divided in four sessions. The first session gives an understanding about different types of payment modes allowed in retail business and the problems arising at POS. The second session deals with procedures for handling cash and cash equivalents. The third session deals with authorisation of cheque, credit

cards and debit cards, and refund payments. The fourth session focusses on the problems at cash point/POS.

SESSION 1 : MODES OF PAYMENT

Meaning of cash point or POS

In retail business, sales transaction is occurred at Point of Sale (POS). Employees, who work at POS (Fig. 2.1 Point of Sale) and deal with customers, are responsible for collecting payment and delivering products. The operations at service cash point or POS are discussed below.

(a) Use of equipment: Almost all point-of-sale

operations involve the use of equipment. It varies from store to store, but mainly, a cash register or computer, barcode scanner, debit/credit card swiping machine is required. The retail cashier who has access to the cash registers must follow the procedures for maintaining the security of cash, credit receipts and cheques.



Fig. 2.1 Point of Sale

(b) Transactions: Transaction is the final step after the customers' purchases. Besides knowing the operation of the equipment, a cashier at POS must know what type of transaction is to be processed. It may include procedures related to, credit/debit card payment process, mobile payment, refund crediting the customer account, cash refund, etc.

(c) Customer services: Point-of-sale procedures also include general customer service. It includes, answering customer queries regarding product features and usage, registration services and explaining special promotions or discounts that do or do not apply to a transaction, etc.



NOTES

(d) Delivery: At POS, the delivery of products purchased by the customer takes place. In most of the stores, it involves only bagging the products for customers. In some stores, it may include wrapping products for storage, shipping or gift packing, transferring goods to the customers' pick-up location, etc.

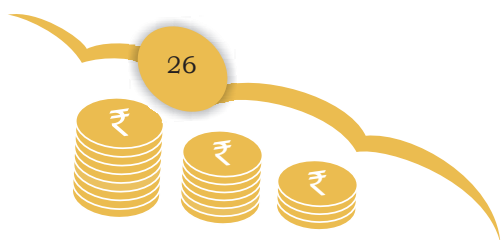
Skill requirement for a cashier

A retail cashier must have the following skills so as to perform duties at the service cash point/POS:

- (i) *Knowledge on Store Policies and Procedures:* The cashier must have knowledge with regard to the operation of point of sale equipment, security systems, sale transactions and handling techniques of products.
- (ii) *Knowledge on Handling Point of Sale Equipment:* The cashier must be skillful to operate cash registers, cash drawers, scanners, card swiping machines, etc.
- (iii) *Communication Skills for Customer Interaction:* The cashier must greet the customer, provide information related price confirmation, delivery inquiries, reward point inquiries, etc.
- (iv) *Knowledge to Process Various Payment Modes—* The cashier should know cash exchange; accept cheques and process of credit cards/store cards, smart cards, returns, exchanges and gift vouchers, etc.
- (v) *Knowledge of techniques:* Finally, the cashier should know about the techniques required for effective packing and wrapping products, like use of boxes, bags, paper, bubble wrap and gift packing, etc.

Modes of payment

Mode of payment refers to the methods of payment made by the buyer of the goods or services purchased. In retailing, the payment may be made in the form of cash, cheque, card, online payment, through mobile apps, etc.



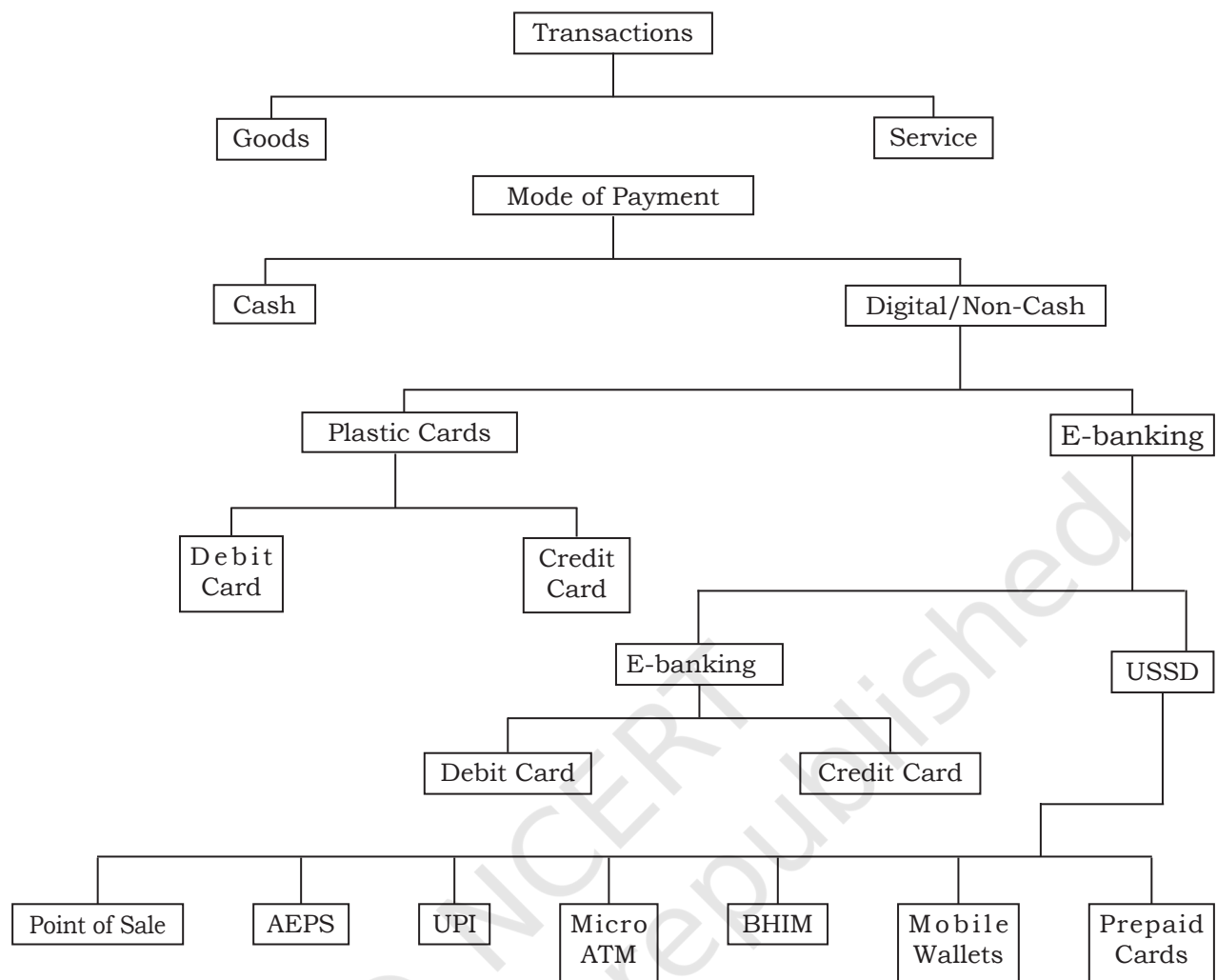


Fig. 2.2 Modes of Payment

The generally used payment modes (Fig. 2.2) in retail business have been discussed below:

(a) Cash payment: In India, majority of consumers prefer to make cash payments (Fig. 2.3). The customer buys goods or services and pays in cash. The cashier must provide the same amount of bill at the time of completing the sales transaction and put the



Fig. 2.3 Cash Payment



currency notes and coins in respective slots. Most of the times, the customer will tender the money higher than the bill; in that case, the cashier has to close the transaction by entering the amount received, put the money in their respective slots and return the change and enter the details in the system.

(b) Payment through cheque: Every retail business has a bank account for smooth business transactions. Those customers who have bank accounts with a cheque book can pay the amount for the purchases made, through cheque. The business organisation sends these cheques to the bank for collection. The bank will collect the money from the issuer's account and deposit it in the firm's account. Most of the retail stores accept cheque payment, if its policy allows the cheque payment. The cashier has to verify the particulars of the cheque and also refer to the higher authorities, in case of any doubt.

(c) Card payment: Payments made through debit or credit cards (Fig. 2.4) are accepted by various retailers. The customers make purchases and pay the amount through their debit or credit cards. For the card payment, the retailer must have a card



Fig. 2.4 Card Payment

swiping machine. This technology enables the customers to pay their purchases through plastic money. Under this kind of payment, every customer is asked to present a credit or debit card. The card is swiped in the machine and then the cashier has to enter the amount of purchases. The machine asks the pin and then, the customer has to enter the pin. In the process of the transaction, the customer's bank account is checked, and if sufficient balance is available in the account, then the amount from the customer's account is deducted and added to the retailer's account. After this, a printed receipt comes out of the machine showing the details of the payment made.

(d) Payment through mobile: Because of the risk in carrying cash, many customers are using mobile apps for purchasing goods or services with this

kind of a payment system (Fig.2.5). Customers can also pay their bills or make bookings from their mobile wallet apps or banking apps. While some mobile wallet apps work on mobile wallet accounts, the others work directly to connect the customers' bank accounts. For using this mode of payment the customers have to register a particular mobile wallet app to open an account and then recharge it using net banking, debit card or credit card. Then, they can make payment where that particular mobile wallet is acceptable. Recently, all the banks have developed their mobile apps which work directly from their bank accounts.

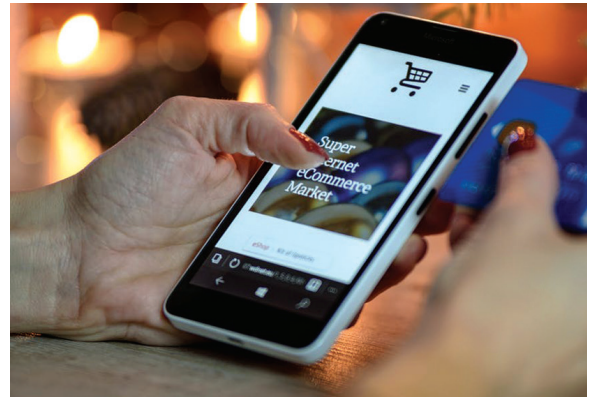


Fig. 2.5 Mobile Payment

Problems arise at service cash point/POS

There is always a possibility that some kind of problems may arise at POS while dealing with the customers (Fig. 2.6). The problems that may arise are as follows:

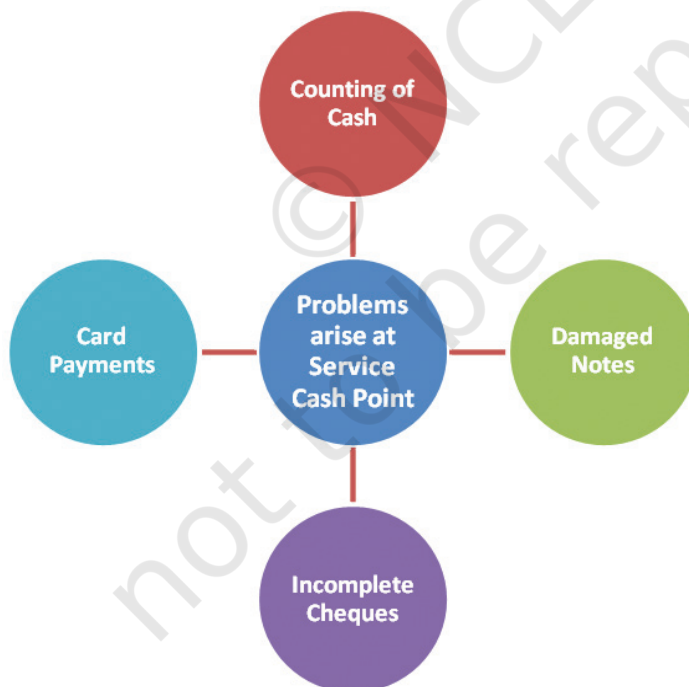


Fig. 2.6 Problems at Service Cash Point

SERVICE CASH POINTS OR POS

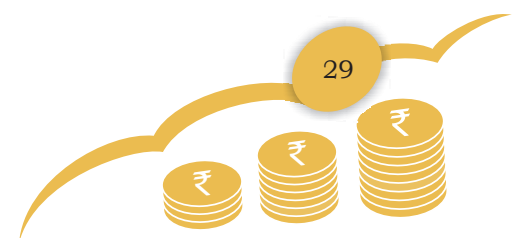




Fig. 2.7 Cash Counting

(a) Counting of cash: The crucial problem at POS is that of cash counting (Fig. 2.7). The cashier has to be careful while counting the rupee notes given by the customers. Where bulk cash payments are received very frequently, the cashier has to use the cash counting machines.

(b) Damaged notes: Some other problems of the cashier at POS are related to receiving mutilated, cut or damaged notes. While counting cash, the cashier has to check all notes to ensure they are in an acceptable and proper condition.

(c) Incomplete cheques: The following points are essential for a cashier to remember while accepting cheque payment:

- Check that the company name and address must be correct on the cheque.
- All corrections must be signed (attested) by the customer who is issuing the cheque.
- Cheques must be signed in front of the supervisor.
- The cheque should be marked with the correct date and amount.
- Ensure that the writing on the cheque is in black or blue ink only.
- Must take permission for authorisation of cheques above the authorised limit amount.
- All interstate and overseas cheques must be authorised through email or fax or telephone.
- Verify and match the cheque amount that is written in words and figures.
- Verify that the signature on the cheque matches with the identification used. Identification can be through any ID proof issued by a government authority.
- Record the details, such as address, phone number, license number and identification proof on the reverse side of the cheque,.

(d) Card Payments: While handling and receiving card payments, the cashier has to check whether the customer providing the card is authentic or not. The



cashier may ask for an ID card of the customer or verify the signature at the back of the card with the signature given by the customer on the receipt.

NOTES

Practical Exercise

Activity 1

Observation of precautions in handling the cash and cash equivalents

Materials required

Pen/pencil, notebook, checklist.

Procedure

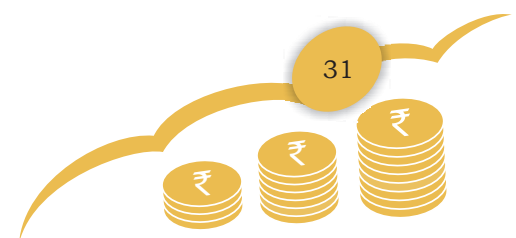
1. Visit a retail store, meet the cashier, greet him/her and observe the procedure followed by the cashier to start the duties.
2. Ask the following questions to the cashier working at POS:
 - (a) What kind of precautions do you take while taking cash from a customer?
 - (b) What items will you check in a cheque transaction when a customer offers payment using a cheque?
 - (c) Will you accept card payment? If yes, what kind of cards would you accept?
 - (d) What is the procedure adopted for card payment?
 - (e) Will you accept the mobile app payments? If yes, what are they?
 - (f) What is the procedure of payment in each of the mobile apps?
3. Observe the procedure followed by the cashier at the counter.
4. Prepare a report on the whole procedure.
5. Confirm the report with the cashier and finalise the report. Submit the final report to the subject teacher.

Check your Progress

A. Fill in the Blanks

1. Cash _____ is the oldest mode of payment system in India.
2. The business firms send cheques to the _____ for collection.
3. To accept the card payment the firms have to install _____ technology.
4. In case of bulk cash payments, the cashier has to use cash _____ machine.

SERVICE CASH POINTS OR POS



NOTES

5. For checking the authenticity of the customer while making a card payment, the cashier has to verify the signature given by the customer on the receipt with the signature _____ of the card.
6. Under the system of mobile payment, customers pay the amount for their purchases using _____.

B. Multiple Choice Questions

1. Knowledge on handling the Point of Sale equipment refers to handling of:
 - (a) card swiping machines
 - (b) reward point inquiries
 - (c) delivery inquiries
 - (d) None of the above
2. Communication skills required to interact with the customers include:
 - (a) greeting the customer
 - (b) reward point inquiries
 - (c) delivery inquiries
 - (d) All of the above
3. In retailing, the payment may be in the form of _____.
 - (a) cash
 - (b) cheque
 - (c) credit card
 - (d) All of the above

C. State whether the following are True or False

1. Damaged notes are a problem at the service cash point/POS.
2. The cashier need not take permission for the cheques above his authorisation limit.
3. The cashier should have knowledge on store policies and procedures.

D. Short Answer Questions

1. What are the POS equipment?
2. What is included in the delivery operations of a POS cashier?
3. What are the services offered to customers at the service cash point/POS?
4. What kind of skill is required to perform the duties at service cash point/POS?



D. Long Answer Questions

1. Explain the process of payment through different modes of payment.
2. What problems arise at a POS/service cash point?

E. Check your Performance

1. Demonstrate the operations at a service cash point/POS in the retail store.
2. Enact the mode of payments in the retail business, both cash and non-cash.

SESSION 2 : PROCEDURES FOR HANDLING CASH**Meaning of cash handling**

Cash handling is the procedure of collecting, counting, recording and reporting cash in retail business operation.

The process of cash handling may be manual or automated. Depending on the amount of money, the retailer may select the appropriate cash handling process (see Fig. 2.8). Retailers must train the cashiers on how to handle cash as part of receiving payments from customers for their purchases.

Cash transaction is the exchange of legal tender, i.e., rupee and paisa or coin; the cashier should be trained to provide the correct amount of rupee or coin change to the customer. The training also involves instructions on how to operate credit card machine for payments, obtain the signature of the customer and provide a receipt as evidence of the completed transaction.

The term 'cash' applies to currency, cheques, credit and debit card payments, electronic payments and other kind of negotiable instruments payable. Cash handling means receiving, depositing and reporting of all cash operations in the organisation.

Procedure for handling cash

A suitable cash handling procedure fig. 2.8 will guard the organisation from the risk of cash theft and cash manipulations from persons within the organisation

SERVICE CASH POINTS OR POS

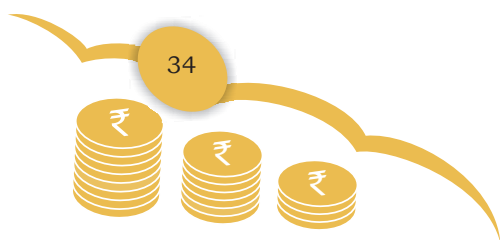


as well as the outside. Following are the important procedures which help an organisation in handling cash appropriately.



Fig. 2.8 Procedure for Cash Handling

- (a) Printed receipts:** Issuing receipts for every cash transaction as it takes place in the retail store, will be a proof to the customer for cash remittances. It makes sure that all information related to the cash transaction will be printed on the receipt, like date, time, products purchased, amount paid, payment mode, change returned if any, receipt number, etc. This helps both the customers as well as the retail organisation in keeping proper record.
- (b) Authorised staff:** Allowing only specific staff members as authorised persons to deal with large amounts of cash will help in reducing the risk of cash theft by internal staff members.
- (c) Security:** Every retailer should have one or more tills or cash boxes with lock facility. For safe handling, cash should be kept in locked boxes. The frequency of withdrawal of high-value notes from cash boxes and sending to the bank, should be on regular intervals. It is better not to allow a large sum of money to accumulate in the cash boxes. While removing large money, proper care should be taken. It is better to send this amount to the bank when there are few customers in the business premises to minimise risk.
- (d) Till/money drawer reports:** Till is a drawer, box, tray or cabinet in a cash counter which is used especially for valuables, such as money. It is also known as money drawer. At the end of every day, the till/s should be empty and it should be ensured that the till receipt balance must match with the cash received.



Precautions to be taken while handling cash

The following points (Fig. 2.9) must be taken into consideration while setting the procedures for handling cash:



Fig. 2.9 Precautions in Handling Cash

(a) Written procedures: Every firm must have its written procedures for cash handling and cash equivalents. It should include the following:

- List of anticipated payment types (for example, cash, cheque, card, mobile app, e-wallet, etc.) and appropriate processing and internal controls for each.
- A detail of how payments are received.
- A description of the ways it is made, including the method and frequency of deposits.
- A description of the process to reconcile deposits.
- A description of the return/refund process.

(b) Allocation of duties: The allocation of duties to the staff will minimise the mistakes in cash. The duties of other staff include collecting cash, maintaining documents, keeping deposits and reconciling records.

(c) Employee background checks: While selecting the employees for handling cash receipts as part of their duties, references should always be considered and checked properly.

NOTES



NOTES

(d) Employee training: Employees engaged in receipts' processing should be sent to training. The training related to the firms' policies and procedures while cash handling and cash equivalents.

(e) Physical security: Following security measures promote a safe working environment and ensure secure cash receipts handling:

- Restrict cash access to few people.
- Cash drawers should be closed when not in use and locked when not doing transactions.
- Store cash in a locked and non-portable cabinet.
- Provide passwords only to the authorised staff.
- Perform balancing and prepare cash for deposits in a non-public and secure area.

(f) Reconciliation of cash receipts: Make sure all sales' transactions are recorded; a daily routine for balancing cash receipts must be followed, including processes for balancing cash, cheques, and credit and debit cards. Balance all the cash collected daily by comparing the total cash with that mentioned in the cash register. All credit card sales should be compared to the daily settlement reports provided by the POS terminals.

(g) Providing receipt: Receipts should be provided to customers at the sale of any goods or service. It should contain all transactions.

(h) Post-dated cheques: Post-dated cheques (the cheques received now but dated for the near future), should be sent to the bank for collection only on or after the date written on them. Those employees involved in deposit preparation must ensure that the date found at the top-right corner of the cheque is verified as current date.

Practical Exercise

Activity 1

Field visit for observation of cash handling and related precautions in a retail store.

Materials required

Pen/pencil, notebook and a checklist.



Procedure

1. Prepare a checklist on the points to be observed by the students during the visit to the retail store and share with them.
2. Arrange grouping of students for visit as per requirement.
3. Reach the store as per schedule.
4. Greet and interact with the cashier and observe:
 - (a) Procedure for cash handling
 - (b) Precautions taken while cash handling
 - (c) Taking down opening and closing balances in the books.
 - (d) Reporting to the higher-ups about cash.
 - (e) Any specific/notable situation may be asked about and recorded.
5. Note all observations, discuss with the friends finalise by confirming with the executive/cashier.
6. Prepare a report and submit to the subject teacher.

Check your progress**A. Fill in the Blanks**

1. Printed _____ are a proof for customer remittances.
2. Allowing only specific staff members to deal with large amounts will help in reducing the risk of theft by _____ staff members.
3. The frequency of withdrawal of _____ value notes from the cash boxes and sending to the _____ should be at regular intervals.

B. Multiple Choice Questions

1. Receipt should contain the following particulars:
 - (a) Date
 - (b) Items Purchased
 - (c) Payment method
 - (d) All of the above
2. Restrict access to cash to as few people as possible comes under the category of:
 - (a) employee training
 - (b) written procedures
 - (c) security
 - (d) reconciliation of cash receipts
3. Checking the reference while selecting the employees for cashier post comes under the category of:
 - (a) employee training
 - (b) providing receipt
 - (c) post-dated cheques
 - (d) employee background checks

SERVICE CASH POINTS OR POS



NOTES

C. State whether the following are True or False

1. Cash handling procedures will help the organisation from the risk of cash theft by the people within the organisation but not from the outsiders.
2. Allowing only specific staff members to deal with large amounts will help in reducing the risk of cash theft from internal staff members.
3. For handling cash and cash equivalents there is no need to have written procedures.
4. Allocation of duties to the staff will minimise the mistakes or misappropriation of cash.

D. Match the Columns

S. No.	Column A		Column B
1.	A description of how payments are received	A	Security
2.	Distribution of duties among two or more individuals	B	Written procedures
3.	Checking the reference properly	C	Allocation of duties
4.	Restricting access to cash to few People	D	Post-dated cheque
5.	Cheques which are received now but dated for a near future	E	Employee background check

E. Short Answer Questions

1. Write a few words on printed receipt?
2. What measures ensure secure handling of cash receipts?

F. Long Answer Questions

1. Describe the cash handling procedure?
2. How can organisations deal with the risk of cash thefts and cash manipulations?
3. Which method of cash handling is more reliable—manual or automated? Give reasons to support your answer.

G. Check Your Performance

1. Demonstrate the suitable cash handling procedure at service cash point/POS in retail store.
2. Enact the precautions to be followed while handling cash at service cash point POS in retail outlet.

SESSION 3: AUTHORISATION OF CHEQUE, CREDIT/DEBIT CARD PAYMENTS

Authorisation of refunds

Consumers may have a number of reasons for returning an item—it may be old, used, defected, an improper size, wrong colour, etc. If the item is not replaceable, then it will likely be disposed off. While processing refund the cashier should ask the customer for the original bill of the transaction, verify it and then process the refund.

In case of POS billing, the cashier may find all particulars of bill by scanning the barcode of the product, entering bill number, date of the sale, product line, etc., based on software installed. But in case of manual billing, the cashier has to check the following (Fig. 2.10):



Fig. 2.10 Authorisation of Refund

- (a) Verifying product:** He has to verify the product returned with the original bill.
- (b) Date of purchase:** Date of purchase has to be verified to check whether refund period has passed or not. Refund may be allowed if it is within the firm's allowable refund period. The refund period may vary based on the product type and retailer refund policy.
- (c) Batch number of product:** Batch number of the product has to be verified to check whether the returned product is purchased from the same store or not.
- (d) Expiry of product:** A product may be returned within the allowed return period and also within the expiry date of product. Sometimes the product may be returned within the refund period but after the expiry date of a product such claims are not allowed.

SERVICE CASH POINTS OR POS



NOTES

(e) Price of the product: The price of the product has to be verified with the bill for deciding the quantum of refund.

(f) Offers claimed, if any: While going through the bill, the cashier has to check whether there is any offer availed by customer on the refund item. A cashier has to take extra care to decide the refund amount. Sometimes, in case of certain offers refunds are not allowed.

(g) Packing: In case of certain issues, products with proper packing are only allowed for refund. A cashier has to check whether the product is packaged properly or not.

The cashier must know why the product is returned so that he/she can process for claim, for which a customer is going to receive the credit. It helps in further process, i.e., exchange with another product, credit for future purchase, return in cash or cheque.

If the wrong product is delivered or the customer has expressed discomfort with its size, colour, etc., refund will be allowed by way of new piece or exchange product of customers' preferred size or colour, etc.

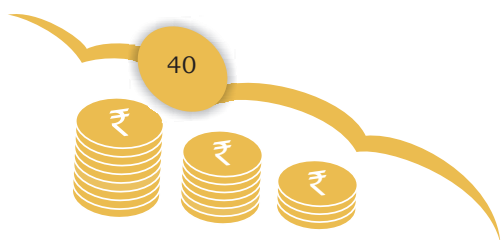
In case, if the customer is a regular one and registered with the retailer, his/her account may be credited for the refund amount which he/she can use for further purchases.

When a customer doesn't want credit he/she may be issued a cheque. Where retailers have policy for cash refund the cashier may pay the refund in cash.

Authorisation of cheque payments

For authorising the cheque payments, the cashier should keep the following points in mind:

- While accepting the cheque from the customer, the cashier has to verify his credentials. If the person is a regular customer of the shop or a reputed person, the cheque may be accepted.



- While accepting a cheque from any unfamiliar person the cashier may verify his identity by checking his/her at government identification proofs.
- The cashier may also ask the customer to sign on the cheque before him.

Authorising credit card payments

While authorising the credit card payments the cashier has to take the following precautions—

- Check the card holder's name on card.
- Check the expiry date on card.
- Examine the genuineness of the card.
- Swipe the card for verification and authorisation from the issuer of card.
- After receipt of transaction slip, ask the customer to sign on transaction slip (It is not necessary if verified by PIN).
- Verify the customer's signature on the slip with the signature on the back side of the card.

Security procedures at POS

There are certain guidelines for a cashier to understand as security measures. They are as follows:

- A retailer can control the transactions/dealings at POS by spelling out dos and don'ts of POS cashier.
- Assign a password to each cashier. No one can sign on using another cashier's name unless he also knows the other cashier's secret password.
- If several cashiers are taking turns using a POS terminal. The system must return the cursor to the 'Cashier' field after each transaction. The cashier will be required to type his name and password at the beginning of each transaction.
- Allot certain security bits and capabilities only to a few key employees. Instruct cashiers to make sure their names are in the Cashier field before beginning a transaction.

NOTES



Practical Exercise

Activity 1

Observation of authorisation of refunds, cheque payment and security procedures in retail outlet.

Materials required

Pen/Pencil, Notebook and Checklist.

Procedure

1. The teacher to prepare a checklist on the points to be observed by the students during the visit and share with them.
2. Make groups of students for visiting as per feasibility.
3. Reach the store as per schedule.
4. Greet and interact with the executive/cashier and observe:
 - (a) Refund policy of the firm
 - (b) Authorisation of cheque/credit card payments
 - (c) Security procedures at POS
5. Prepare a note based on the observation on the above discussion and finalise it by consulting the executive/cashier.
6. Prepare a report and submit to the subject teacher.

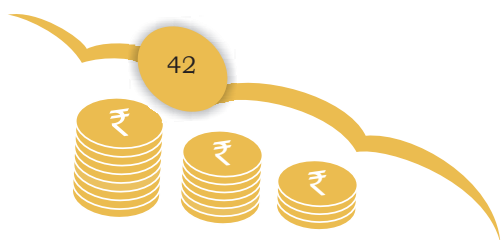
Check your progress

A. Fill in the Blanks

1. Date of purchase has to be verified to check whether the _____ period is crossed or not.
2. Batch _____ of the product has to be verified to check whether the returned product is purchased from the same store or not.
3. _____ of the product has to be verified with the bill for purpose of deciding the quantum of refund.

B. Multiple Choice Questions

1. Consumer may return the product due to reasons like _____.
 - (a) wrong colour
 - (b) defected goods
 - (c) improper size
 - (d) All the above
2. In case of POS billing, the cashier can find all the particulars of the bill by _____.
 - (a) scanning the barcode of the product
 - (b) entering bill number



- (c) product line
 - (d) All of the above
3. While authorising a cheque the cashier should keep in mind:
 - (a) customer credentials
 - (b) credit card limit
 - (c) refund amount
 - (d) None of the above
 4. While authorising the credit card payment, the cashier has to take the following precautions:
 - (a) Check the expiry date of the credit card
 - (b) Examine the genuineness of the card
 - (c) Verify the Customer's signature
 - (d) All of the above

C. State whether the following are True or False

1. While processing refund the cashier should ask the customer for the original bill of the transaction.
2. While accepting a cheque from the customer, there is no need to verify his credentials.
3. The batch number of the product has to be verified to check whether the returned product is purchased from the same store or not.
4. The refund period may vary based on the type of product and retailer refund policy.

D. Match the Columns

S. No.	Column A		Column B
1.	To check whether the product is purchased from the same store or not the cashier should verify	A	Expiry date of the product
2.	For the purpose of deciding the quantum of refund to be allowed the cashier has to check	B	Batch number of the product
3.	To check whether the refund period is crossed or not cashier has to check	C	Price of the product
4.	A product may be returned within the allowed return period and also within the	D	Date of the purchase

E. Short Answer Questions

1. What are the general reasons for returning a product by the customer?



NOTES

2. Why does the batch number of the product have to be verified?
3. What does the expiry date of the product have to be checked?

F. Long Answer Questions

1. Why is it essential to check the credentials of a customer while accepting a cheque payment?
2. Allotting security bits and capabilities to a few employees helps. How?
3. How will you deal with a customer asking for refund?
4. Explain in detail the security procedures at POS?

G. Check Your Performance

1. Demonstrate the security procedures at POS in the retail business.
2. Arrange a group discussion in the class on the method of authorisation of refund, cheque and card payments.

SESSION 4: PROBLEMS AT CASH POINTS OR POS

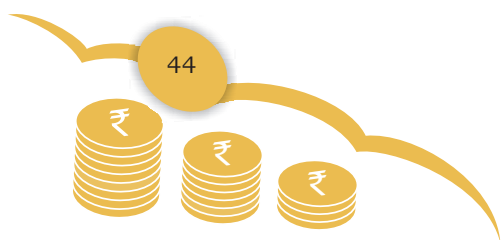
Problems at service cash point or POS

There are a number of problems at cash points or POS. POS system that is commonly used at retail stores has hardware, software and networks connections. Now, we will discuss the common problems that occur at POS or while handling POS machines.

Hardware issues

POS system is interconnected through physical or wireless protocol devices. It includes workstations with monitor screens, mouse, keyboards, barcode scanners, cash drawers, receipt printers, etc., if any device fails then the whole system may stop working. A common problem occurs in printing receipts in both, POS touchscreen as well as regular POS systems. It may be due to improper connection of cables. POS machines with three colour-coded cables must match to the similar colour on back panel of the equipment. Loose connections can also create problems in printing. Check all connections before informing the technical team about the problem. Many POS systems include a central server that processes data

CASHIER – CLASS IX



and coordinates the activities of the entire system. In case of any problem in the hardware, it is better to call the technician of the vendor because if the cashier tries to resolve the problem it may further seriously damage the system.

Software system issues

POS system relies on the dedicated softwares and computer operating system. These softwares help in transacting sales and credit card processing, inventory tracking, accounting and other functions related to sales. When POS software detects an error or too many softwares overload on the computers the system may stop working. Sometimes, restarting the system solves the problem but in case of a major software problem it must be referred to the technician of the vendor.

Network connectivity issues

POS systems are generally based on the dial-up modem or broadband Internet access to connect to network processing. The POS system transfers the customer's account information to the debit or credit card processing network. If the network connection is not available, the system process credit and debit transactions.

Sometimes, problems may occur due to disturbance in networking cable, cashier has to check cable connectivity and adjust the cable connection to resolve the problems (shown in Fig. 2.11). In some cases the Card Provider server may be busy and POS may be unable to connect to that server. In such cases the cashier must try again or ask the customer to provide another card.

User errors

Mostly the problems with POS occur due to the errors in the machine committed by the cashier. If the cashier enters wrong information or the wrong application is started the computer system can't properly handle the transaction.

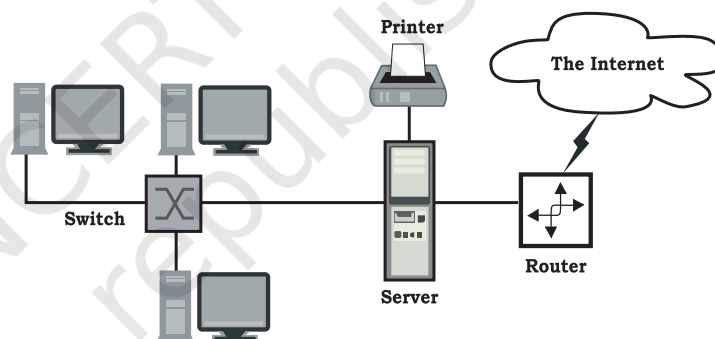


Fig. 2.11 Network Connectivity
Source: goo.gl/24aqvH



Due to being at point of sale, cashier must set extensive training on how to operate the system effectively.

Card processing problems

The major card processing problems are discussed below (Fig. 2.12).

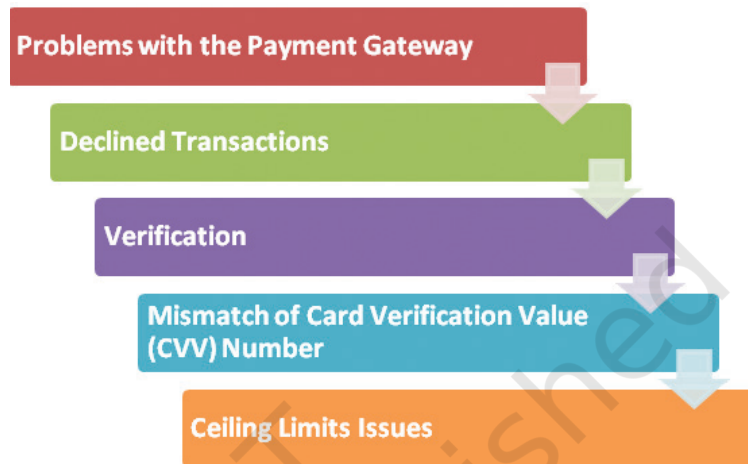
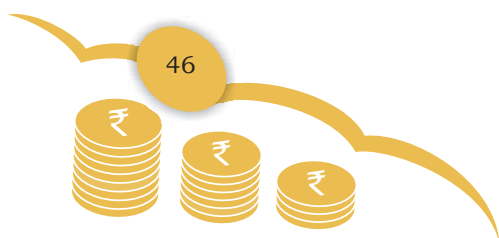


Fig. 2.12 Card Processing Problems

(a) Problems with payment gateway: Payment gateway is an electronic portal. It accepts debit/credit card data from customer payment terminal. It also encrypts data. Before sending data of credit card the issuing bank encrypts the data for approval. In case there is any problem in seeking approval, it could be due to a virus in the software, which can be brought to the notice of technical support team.

(b) Declined transactions: The most common problem of card processing is a declined transaction. There are many reasons for a declined transaction in the case of debit card, such as insufficient balance, exceeding daily limit of withdrawal, and exceeding daily limit of number of transactions.

(c) Verification: Credit card fraud is nowadays a major and common issue. Sometimes, Address Verification Service declines transaction if the address given by a customer doesn't match with the card details.



(d) Mismatch of card verification value (CVV)

Number: The transaction may also be declined if the CVV number is incorrect. In case the account is already over-limit transaction, authorisation will not take place on the same day.

(e) Ceiling limits issues: Some cards have a maximum limit which can be spent in a single transaction; this could lead to the card being declined. Especially corporate cards may have a specific limit on amount of cash which can be drawn per day. Therefore, the card will be declined if there is an attempt to draw cash beyond the sanctioned daily limit.

NOTES

Practical Exercise

Activity 1

Visit to a retail store for observation of problems at service cash point/POS

Materials required

Pen/pencil, notebook and checklist

Procedure

1. Visit a retail store and ask the cashier about:
 - (a) Hardware system issues
 - (b) Software system issues
 - (c) Network connectivity issues
 - (d) Commonly committed errors by cashiers
 - (e) Card problems
2. Ask the measures to overcome these and prepare a report based on the replies. Confirm with the executive, finalise and submit the report to your subject teacher.

Check your Progress

A. Fill in the Blanks

1. POS system is interconnected through _____ or _____ protocol devices.
2. POS system's inability to print the receipt is because of _____ connection of cables.



NOTES

3. Most of the time problems with POS occur due to the errors committed by the _____ who uses the machine.

B. Multiple Choice Questions

1. Failure of barcode scanner comes under _____.
(a) software issues
(b) user errors
(c) card processing problems
(d) hardware issues
2. Disturbance in network connection is an issue of _____.
(a) hardware
(b) software
(c) connectivity
(d) All of the above
3. Declined transaction comes under _____.
(a) user errors
(b) hardware issues
(c) card processing problems
(d) None of the above
4. Mismatch of CVV number comes under _____.
(a) software issues
(b) connectivity issues
(c) card processing problems
(d) All of the above

C. State whether the following are True or False

1. POS system used at retail outlets has arrangement of hardware, software and network connections.
2. Problem in printing receipts occurs only in POS with touchscreen but not regular POS system.
3. Most of the times the problem occurs due to errors committed by the cashier.
4. Problem with the payment gateway does not come under card processing problems.



NOTES

D. Match the Columns

S. No.	Column A		Column B
1.	Exceeding the credit card limit is a reason for	A	Software system issues
2.	Starting wrong application comes under	B	Network connectivity issues
3.	Disturbance in cable connection comes under	C	Declined transaction
4.	Loading too many software comes under	D	User errors

E. Write short notes on the following.

1. Software issues
2. User errors
3. Declined transaction
4. Problems with payment gateway

F. Long Answer Questions

1. Explain what are the card processing problems?
2. A retail store has hardware, software and network connections. The failure of any of these will disrupt the functioning of the store. How? Explain in detail.

G. Check Your Performance

1. Enact card processing problems at service cash point POS in retail outlet.

